Singhi & Co.
Chartered Accountants

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INDEPENDENT AUDITORS' REPORT

To the Members of Gloster Nuvo Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Gloster Nuvo Limited ("the Company"), which comprise the balance sheet as at March 31, 2021, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the period January 27, 2020 to March 31, 2021, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and it's loss including other comprehensive income, the changes in equity and its cash flows for the period January 27, 2020 to March 31, 2021.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SA's are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditors' Report Thereon

The Company's management and Board of directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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In preparing the financial statements, management and Board of directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

   e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   g) In our opinion and according to the information and explanations given to us, the managerial remuneration for the period January 27, 2020 to March 31, 2021 has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act.

   h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has no pending litigations as at March 31, 2021 which may impact its financial position in its financial statements;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Singhi & Co.
Chartered Accountants
Firm's Registration No. 302049E

SINGHI & CO. Chartered Accountants

Ankit Dhelia

(Ankit Dhelia)
Partner
Membership No. 069178
UDIN :21069178AAAABE5817

Place: Kolkata
Date: June 10, 2021

Annexure - A to the Independent Auditors' Report

(Referred to in paragraph 1 with the heading 'Report on Other Legal and Regulatory Requirements' section of our report of even date in respect to Statutory Audit of **Gloster Nuvo Limited** for the period January 27, 2020 to March 31, 2021)

We report that:

i. In respect of its Property, Plant & Equipment:

a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.

b) As explained to us, property, plant and equipment have been physically verified during the year by the management and no material discrepancies have been noticed on such physical verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company does not hold any immovable property.

ii. The Company has not held any inventory during the period under audit. Accordingly, clause 3 (ii) of the order is not applicable to the Company.

iii. The Company has not granted any loan to parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, clause 3 (iii) of the order is not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of section 185 of the Act and the Company has not made investments through more than two layers of investment companies in accordance with the provisions of section 186 of the Act. Further, the Company has neither issued any guarantee nor has provided any security on behalf of any party. Accordingly, clause 3 (iv) of the order is not applicable to the Company.

v. According to the information and explanations given to us, the Company has not accepted any deposits from public within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014(as amended) during the year. Accordingly, clause 3 (v) of the order is not applicable to the Company.

vi. The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013 in regard to the present activities of the Company. Accordingly, clause 3 (vi) of the order is not applicable to the Company.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income tax, goods and service tax, duty of customs, duty of excise, and other statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and service tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us, there are no dues of income tax, sales tax, Goods and Service tax, duty of customs, duty of excise, value added tax and cess as at 31st March, 2021 which have not been deposited with the appropriate authorities on account of any dispute.

viii. The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the period. Accordingly, clause 3(viii) of the Order is not applicable to the Company.

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ix. In our opinion, and according to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and term loan during the year. Accordingly, clause 3(ix) of the Order is not applicable to the Company.

x. During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees.

xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration. Accordingly, clause 3(xi) of the Order is not applicable to the Company.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(xiv) of the order is not applicable to the Company.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause3 (xv) of the Order is not applicable to the Company.

xvi. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi) of the Order is not applicable to the Company.

For Singhi & Co.
Chartered Accountants
Firm's Registration No. 302049E

Ankit Dhelia

(Ankit Dhelia)
Partner
Membership No. 069178
UDIN :21069178AAAABE5817

SINGHI & CO. * Chartered Accountants *

Place: Kolkata
Date: June 10, 2021

ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of **Gloster Nuvo Limited** ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the period January 27, 2020 to March 31, 2021.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Control with reference to financial statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

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Inherent Limitations of Internal Financial Control with reference to financial statements

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Singhi & Co.
Chartered Accountants
Firm's Registration No. 302049E

Ankit Dhelia

SINGHI & CO. Chartered Accountants

(Ankit Dhelia)
Partner
Membership No. 069178
UDIN :21069178AAAABE5817

Place: Kolkata
Date: June 10, 2021

Gloster Nuvo Limited
CIN: U17299WB2020PLC236120
Balance Sheet as at 31st March 2021

(All amounts in Rs. lakhs)

Particulars	Notes	31st March 2021
ASSETS		
Non-current assets		
Property, plant and equipment	3(a)	0.84
Capital work in Progress	3(b)	323.98
Right of Use Assets	4	1,571.88
Financial assets		
(i) Other financial assets	5	6.07
Non-current tax assets	6	1.56
Total non-current assets		**1,904.33**
Current assets		
Financial assets		
(i) Cash and cash equivalents	7	26.28
Other current assets	8	14.18
Total current assets		**40.46**
Total assets		**1,944.79**
EQUITY AND LIABILITIES		
Equity		
Equity share capital	9	200.00
Other equity	10	-107.56
Total equity		**92.44**
Non-current liabilities		
Financial liabilities		
(i) Lease liabilities	11	1,509.26
Total non-current liabilities		**1,509.26**
Current liabilities		
Financial liabilities		
(i) Trade payables	12	
a) Total outstanding dues of Micro and Small Enterprises		-
b) Total outstanding dues of creditors other than Micro and Small Enterprises		24.44
(ii) Other financial liabilities	13	317.82
Other current liabilities	14	0.83
Total current liabilities		**343.09**
Total liabilities		**1,852.35**
Total equity and liabilities		**1,944.79**
Corporate Information	**1**	
Significant Accounting Policies	**2**	

The accompanying notes are an integral part of these Financial Statements

As per our report of even date

For and on behalf of Board of Directors

Director

Director

Director

Director

CFO

For Singhi & Co.
Firm Registration No. 302049E
Chartered Accountants

Ankit Dhelia
Partner
Membership No. 069178
Place : Kolkata
Date : 10-06.2021

SINGHI & CO. Chartered Accountants

Gloster Nuvo Limited
CIN: U17299WB2020PLC236120
Statememt of Profit & Loss for the period 27th January 2020 to 31st March 2021

(All amounts in Rs. lakhs)

Particulars		Notes	For the period 27th January 2020 to 31st March 2021
INCOME			
Other Income		15	6.54
Total Income			**6.54**
EXPENSES			
Finance costs		16	23.35
Depreciation and amortization expense		17	10.75
Other expenses		18	80.00
Total Expenses			**114.10**
Profit before tax	(A-B)		(107.56)
Tax expense		19	
Current tax			0.00
Deferred tax			0.00
Total Tax expenses			**0.00**
Profit / (Loss) after Tax for the period	(C)		(107.56)
Other comprehensive income/(loss)			
(a) Items that will not be reclassified to profit or loss (net of tax)			0.00
(b) Items that will be reclassified to profit or loss (net of tax)			0.00
Other comprehensive income for the year, net of tax	(D)		**0.00**
Total comprehensive income for the year	(C+D)		(107.56)
Earnings per equity share		20	
Basic and Diluted (Nominal Value per Share Rs.10/-)			(5.38)

Corporate Information	1
Significant Accounting Policies	2

The accompanying notes are an integral part of these Financial Statements

As per our report of even date

For and on behalf of Board of Directors

For Singhi & Co.
Firm Registration No. 302049E
Chartered Accountants

Ankit Dhelia
Partner
Membership No. 069178
Place : Kolkata
Date : 10-06.2021

SINGHI & CO. Chartered Accountants

Director

Director

Director

Director

CFO

Gloster Nuvo Limited

CIN: U17299WB2020PLC236120

Statement of changes in equity for the period 27th January 2020 to 31st March 2021

A. Equity share capital **(All amounts in Rs. lakhs)**

	Amount
As at 27 January 2020	-
Add: Shares issued during the period	200.00
As at 31 March 2021	**200.00**

B. Other equity

	Retained earnings
As at 27 January 2020	-
Profit/(Loss) for the period	(107.56)
Other comprehensive income, net of tax	-
Total comprehensive income	**(107.56)**
Adjustment during the year	-
As at 31 March 2021	**(107.56)**

The accompanying notes are an integral part of these Financial Statements

As per our report of even date

For and on behalf of Board of Directors

For Singhi & Co.
Firm Registration No. 302049E
Chartered Accountants

Ankit Dhelia

Ankit Dhelia
Partner
Membership No. 069178
Place : Kolkata
Date : 10-06.2021

SINGHI & CO. Chartered Accountants

Director

Director

Director

Director

CFO

Gloster Nuvo Limited
CIN: U17299WB2020PLC236120
Statement of Cash Flows for the period 27th January, 2020 to 31 March, 2021

(All amounts in Rs. lakhs)

Particulars	For the period 27th January 2020 to 31st March 2021
(A) Cash flows from operating activities:	
Profit before tax	**(107.56)**
Adjustments for:	
Depreciation and amortisation expense	10.75
Interest and finance charges	23.35
Interest income	(6.54)
Operating profit before changes in operating assets and liabilities	**(80.00)**
Adjustments for:	
(Increase) / decrease in Non-Current/Current financial and other assets	(20.26)
(Increase) / decrease in Inventories	-
(Decrease) / Increase in Non-current/ current financial and other liabilities/provisions	343.09
Cash generated from operations	**242.83**
Income taxes paid (net)	(1.56)
Net cash inflow / (outflow) from operating activities	**241.27**
(B) Cash flows from investing activities:	
Proceeds from disposal of property, plant and equipment	-
Payments for acquisition of property, plant and equipment/ intangible assets (including CWIP)	(324.89)
Payments for acquisition of Right of use assets	(96.64)
Interest received	6.54
Dividend received	-
Net cash inflow / (outflow) from investing activities	**(414.99)**
(C) Cash flows from financing activities:	
Proceeds from issue of equity shares	200.00
Net cash inflow / (outflow) from financing activities	**200.00**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**26.28**
Cash and cash equivalents- Opening Balance	-
Cash and cash equivalents - Closing Balance	**26.28**

Notes:

1 **Cash and cash equivalents as per above comprise of the following :**

Cash on hand	0.20
Balances with banks in current accounts	26.08
Total Cash and cash equivalents (Refer Note-6)	**26.28**

2 The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

The accompanying notes are an integral part of these Financial Statements

As per our report of even date

For and on behalf of Board of Directors

For Singhi & Co.
Firm Registration No. 302049E
Chartered Accountants

Ankit Dhelia

Ankit Dhelia
Partner
Membership No. 069178
Place : Kolkata
Date : 10-06.2021

SINGHI & CO. Chartered Accountants

Director

Director

Director

Director

CFO

Gloster Nuvo Limited

Notes to the financial statements for the period 27th January, 2020 to 31st March, 2021

Note: 1 Corporate Information

Gloster Nuvo Limited is a public company within the meaning of Companies Act, 2013 and incorporated on 27th January, 2020. The Company is a wholly owned subsidiary of Gloster Limited and shall be engaged in manufacture and sale of Jute & allied products. Currently, the company is in the process of set-up of manufacturing facilities at Bauria, West Bengal.

Note: 2 Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of Preparation

(i) Compliance with Ind AS

These standalone financial statements have been prepared to comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016] and other relevant provisions of the Act.

ii) Classification of current and non-current

All asset and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Ind AS 1 - Presentation of Financial Statements and Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

iii) New and amended standards adopted by the company

The Company has incorporated on 27th January, 2020 and these financial statements are the first financial statements prepared by the company. Accordingly, the company has adopted all Indian Accounting Standards (including amendments) applicable for preparation of these financial statements.

(iv) Historical cost convention

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention, except for the following:

- certain financial assets and liabilities those are measured at fair value
- defined benefit plans - plan assets measured at fair value

2.2 Use of estimates

The preparation of financial statements in conformity with the Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period.

Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes requiring a material adjustment to the carrying amounts of assets and liabilities in future periods.

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2.3 Property, Plant and equipment and Depreciation

a) All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

b) Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to statement of profit or loss during the reporting period in which they are incurred.

c) Depreciation is provided on Straight line method over the estimated useful lives of the assets. Pursuant to Notification of Schedule II of the Companies Act, 2013 becoming effective, the Company has adopted the useful lives as per the lives specified for the respective fixed assets in the Schedule II of the Companies Act, 2013.

d) Gains and losses on disposal of Property, plant and equipment is recognized in the statement of profit and loss.

e) An impairment loss is recognized where applicable when the carrying amount of property, plant and equipment exceeds its recoverable amount.

2.4 Intangible assets and amortization

a) Intangible assets are stated at cost of acquisition including duties, taxes and expenses incidental to acquisition and installation, net of accumulated depreciation. Recognition of costs as an asset is ceased when the asset is complete and available for its intended use.

b) Intangible assets are amortized on straight line method as per the management estimated useful life.

c) Gains and Losses on disposal of Intangible assets are recognized in the Statement of Profit and Loss.

2.5 Impairment of assets

Assessment is done at each balance sheet date as to whether there is any indication that an asset (property, plant and equipment) may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/ cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to their coverable amount.

Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased /increased. An impairment loss is recognised in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount. Where an impairment loss subsequently reverses, the carrying value of the asset is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised in the statement of profit and loss immediately.

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2.6 Financial assets

The financial assets are classified in the following categories:

a) financial assets measured at amortised cost,
b) financial assets measured at fair value through profit and loss (FVTPL), and
c) financial assets measured at fair value through other comprehensive income (FVOCI).

The classification of financial assets depends on the Company's business model for managing financial assets and the contractual terms of the cash flow.
At initial recognition, the financial assets are measured at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in the Profit or Loss. Financial assets are not reclassified subsequent to their recognition except if and in the period the Company changes its business model for arranging financial assets.

Financial assets measured at amortised cost
Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method. The losses arising from impairment are recognised in the Statement of Profit or Loss.
Trade Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment, if any.

Financial instruments measured at FVTPL
Financial instruments included within FVTPL category are measured initially as well as at each reporting period at fair value plus transaction costs as applicable. Fair value movements are recorded in statement of profit and loss.
Investments in units of mutual funds, alternate investment funds (AIF's) other than equity and debentures are accounted for at fair value and the changes in fair value are recognised in the statement of Profit and Loss.

Financial assets at FVOCI
Financial assets are measured at FVOCI if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Equity instruments
The Company measures all equity investments at fair value. The Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, and accordingly there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

De-recognition of financial asset
The Company de-recognises a financial asset when the contractual rights to the cash flows from the financial assets expire or it transfers the financial assets and such transfer qualifies for de-recognition under Ind AS 109 : Financial Instruments.

Impairment of financial assets

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The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Only for Trade receivables, the simplified approach of lifetime expected credit losses is recognised from initial recognition of the receivables as required by Ind AS 109: Financial Instruments.
Impairment loss allowance recognised /reversed during the year is charged/written back to Statement of Profit and Loss.

2.7 Financial Liabilities

Financial liabilities are measured at amortised cost using the effective interest method. Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction cost of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

For Trade and Other Payables maturing within one year from the balance sheet date, the carrying amount approximates fair value to short-term maturity of these instruments. A financial liability (or a part of financial liability) is de-recognised from Company's balance sheet when obligation specified in the contract is discharged or cancelled or expired.

2.8 Subsidy / Government Grant

Subsidy/ Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the statement of profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in other liabilities as deferred income and are credited to statement of profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

2.9 Inventories

Raw materials, Stores and Spares parts and components are valued at cost (cost being determined on weighted average basis) or at net realizable value whichever is lower.

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Semi-finished goods and stock-in-process are valued at raw materials cost plus labour and overheads apportioned on an estimated basis depending upon the stages of completion or at net realizable value whichever is lower. Finished goods are valued at cost or at net realizable value whichever is lower.

Cost includes all direct cost and applicable manufacturing and administrative overheads.Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated cost necessary to make the sale.

2.10 Employee Benefit

a) Defined Contribution Plans

Payments to defined contribution plans are charged as an expense as they fall due. Payments made to state managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the Company's obligations under the schemes are equivalent to those arising in a defined contribution benefit scheme.

b) Defined Benefit Plans

For defined benefit retirement schemes the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Re-measurement gains and losses of the net defined benefit liability/ (asset) are recognised immediately in other comprehensive income. The service cost and net interest on the net defined benefit liability/ (asset) is treated as a net expense within employment costs.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier. The retirement benefit obligation recognised in the balance sheet represents the present value of the defined-benefit obligation as reduced by the fair value plan assets.

c) Compensated absences

Accrued liability in respect of leave encashment benefit on retirement is accounted for on the basis of actuarial valuation as at the year end and charged in the Statement of Profit and Loss every year.

Compensated absences benefits comprising of entitlement to accumulation of Sick Leave is provided for based on actuarial valuation at the end of the year.

Actuarial gains and losses are recognized immediately in the statement of Profit and Loss.

Accumulated Compensated Absences and Gratuity liability, which are expected to be availed or encashed or contributed within the 12 months from the end of the year are treated as short term employee benefits and the balance expected to availed or encashed or contributed beyond 12 months from the year end are treated as long term liability.

d) Other short term employee benefits

Short Term Employee Benefits are recognized as an expense as per the Company's schemes based on expected obligation on an undiscounted basis.

2.11 Revenue Recognition

Revenue from contracts with customers are recognised when the control over the goods or services promised in the contract are transferred to the customer. The amount of revenue recognised depicts the transfer of promised goods and services to customers for an amount that reflects the consideration to which the Company is entitled to in exchange for the goods and services.

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Revenue from sale of products is recognised when the control over such goods have been transferred, being when the goods are delivered to the customers. Delivery occurs when the products have been shipped or delivered to the specific location as the case may be, risks of loss have been transferred to the customers, and either the customer has accepted the goods in accordance with the sales contract or the acceptance provisions have lapsed or the Company has objective evidence that all criteria for acceptance have been satisfied. Revenue from these sales are recognized based on the price specified in the contract, which is fixed. No element of significant financing is deemed present as the sales are made against the receipt of advance or with an agreed credit period (in a very few cases) of upto 90 days, which is consistent with the market practices. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only passage of time is required before payment is done.

Other Income

Interest Income is recognized on a time proportion basis taking in to account the amount outstanding and the effective interest rate applicable.

Dividend income is recognized when the right to receive dividend is established.

Export incentives are accounted as income in the Statement of Profit and Loss when no significant uncertainty exists regarding the collectability.

Insurance claims are accounted to the extent the Company is reasonably certain of their ultimate collection.

2.12 Foreign Currency Transaction

(i) Initial Recognition

On initial recognition, all foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction.

(ii) Subsequent Recognition

At the reporting date, foreign currency non-monetary items carried in terms of historical cost are reported using the exchange rate at the date of transactions.
All monetary assets and liabilities in foreign currency are restated at the end of accounting period at the closing exchange rate.

Gains/losses arising out of fluctuations in the exchange rates are recognised in the Statement of Profit and Loss in the period in which they arise.

2.13 Derivative Instruments

The Company uses derivative financial instruments such as foreign exchange contracts to hedge its exposure to movements in foreign exchange rates relating to the underlying transactions.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value and resulting gain or loss is recognized in the statement of profit and loss at the end of each reporting period. Any profit or loss arising on cancellation of derivative instruments is recognized as income or expense for the period.

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2.14 Taxation

Current tax is determined as the amount of tax payable in respect of taxable income for the year based on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.15 Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale.

Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

2.16 Provisions:

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value, except where the effect of the time value of money is material.

2.17 Contingent Liabilities:

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

2.18 Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The

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weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.19 Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents include cash in hand, and balance with bank in current account.

2.20 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.21 Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in event of default, insolvency or bankruptcy of the Company or the counterparty.

2.22 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of directors of the Company has been identified as being the chief operating decision maker.

2.23 Leases

As a lessee

Leases are recognised as right of use assets and a correspondence liability at the date at which the leased asset is available for use by the company. Contract may contain both lease and non lease components. The Company allocates the consideration in the contract to the lease and non lease components based on their relative standalone prices.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payment:-

a) Fixed payments (including in substance fixed payments) less any lease incentive receivable.

b) Variable lease payment that are based on an index or a rate, initially measured using the index or a rate at the commencement date.

c) Amount expected to be paid by the Company as under residual value guarantees.

d) Exercise price of a purchase option if the Company is reasonably certain to exercise that option.

e) Payment of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

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To determine the incremental borrowing rate, the Company:
a) Where possible, use recent third party financing received by the individual lessee as a starting point, adjusted to reflect changes in the financing conditions since third party financing was received
b) use a built up approach that starts with risk free interest rate adjusted for credit risk of leases held by Gloster Nuvo Limited, which does not have recent third party financing.

Lease payments are allocated between principal and finance cost. The finance cost is charged to Statement of profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:-
i) the amount of the initial measurement of lease liability
ii) any lease payment made at or before the commencement date less any lease incentive received
iii) any initial direct cost and
iv) restoration costs.

Right of use of assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight line basis.

Payment associated with short-term leases of equipment and all the leases of low value assets are recognised on a straight line basis as expenses in the statement of profit and loss. Short term leases are leases with a lease term of less than 12 months or less.

As a Lessor
Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature. The Company did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

2.24 Functional and Presentation Currency
The financial statements have been presented in Indian Rupees, which is also the Company's functional currency. All financial information presented in Indian Rupees has been rounded off to the nearest lakhs as per the requirements of Schedule III, unless otherwise stated.

2A Critical estimates and judgements
The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.
This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

(i) Estimation of defined benefit obligation
(ii) Estimated fair value of unlisted securities
(iii) Recognition of deferred tax assets for carried forward tax losses
(iv) Useful life of property, plant and equipments and intangible assets
(v) Extension and Termination Option in Leases

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Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

2B. New Standards / Amendments to Existing Standards / Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 01, 2021

On March 24, 2021, the MCA through notification amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Current maturities of Long-term borrowings shall be disclosed separately under the heading Short Term Borrowing.
- Security Deposits to be shown under the head of Other Non-Current Assets instead of Long-term Loan & Advances.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.
- Ratios - Following Ratios to be disclosed: -
  (a) Current Ratio (b) Debt-Equity Ratio (c) Debt Service Coverage Ratio (d) Return on Equity Ratio (e) Inventory turnover ratio (f) Trade Receivables turnover ratio (g) Trade payables turnover ratio (h) Net capital turnover ratio (i) Net profit ratio (j) Return on Capital employed (k) Return on investment.

Statement of Profit and Loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

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Gloster Nuvo Limited

Notes to the financial statements for the period 27th January 2020 to 31st March 2021

Note: 3(a) Property, plant and equipment

(All amounts in Rs. lakhs)

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount
	As at 27 January 2020	Additions	Disposals/ adjustments	As at 31 March 2021	As at 27 January 2020	For the period	Disposals/ adjustments	As at 31 March 2021	As at 31 March 2021
COMPUTER & DATA PROCESSING UNIT	-	0.91	-	0.91	0	0.07	-	0.07	0.84
	-	**0.91**	-	**0.91**	-	**0.07**	-	**0.07**	**0.84**

Note: 3(b) Capital Work in Progress

Particulars	Gross carrying amount				Accumulated amortisation				Net carrying
	As at 27 January 2020	Additions	Disposals/ adjustments	As at 31 March 2021	As at 27 January 2020	For the period	Disposals/ adjustments	As at 31 March 2021	As at 31 March 2021
Land & Land Development	-	318.22		318.22					318.22
Building		5.76	-	5.76	-	-	-	-	5.76
	-	**323.98**	-	**323.98**	-	-	-	-	**323.98**

Note: 4 Right of Use Assets

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying
	As at 27 January 2020	Additions	Disposals/ adjustments	As at 31 March 2021	As at 27 January 2020	For the period	Disposals/ adjustments	As at 31 March 2021	As at 31 March 2021
Land (Refer note 22)	-	1,582.56	-	1,582.56	-	10.68		10.68	1,571.88
	-	**1,582.56**	-	**1,582.56**	-	**10.68**	-	**10.68**	**1,571.88**

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Gloster Nuvo Limited

Notes to the financial statements for the period 27th January 2020 to 31st March 2021

(All amounts in Rs. lakhs)

Note: 5 Other Financial Assets (Non- Current)

Particulars	As at 31st March 2021
Unsecured, considered good	
Security Deposits to fellow subsidiary	6.07
Total	**6.07**

Note: 6 Non Current tax assets (net)

Particulars	As at 31st March 2021
Advance Income tax & TDS/TCS (net of provision)	1.56
Total	**1.56**

Note: 7 Cash and cash equivalents

Particulars	As at 31st March 2021
Cash and cash equivalents	
Cash on hand	0.20
Balances with banks :	
In current accounts	26.08
Total	**26.28**

Note: 8 Other current assets

Particulars	As at 31st March 2021
Unsecured, considered good (unless otherwise stated)	
Balances with Government Authorities	14.18
Total	**14.18**

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(All amounts in Rs. lakhs)

Note: 9 Equity share capital

(a) Authorised share capital

Particulars	Equity shares	
	Number of shares	Amount
As at 27 January 2020	-	-
Add: Shares issued during the period	2,000,000	200.00
As at 31 March 2021	**2,000,000**	**200.00**

(i) General terms and conditions

The Company has one class of shares referred to as Equity Shares having a par value of Rs. 10/-. In the event of liquidation of the Company, the equity shareholders will be entitled to receive assets of the Company remaining after distribution of all preferential amounts, in proportion of their shareholding.

(b) Issued, subscribed and fully paid-up shares

Particulars	Equity shares	
	Number of shares	Amount
As at 27 January 2020	-	-
Add: Shares issued during the period	2,000,000	200.00
As at 31 March 2021	**2,000,000**	**200.00**

(c) Details of the shareholding by Holding company

Name of the shareholders	As at 31st March 2021	
	Number	%
Gloster Limited (Holding Company)	2,000,000	100.00

(d) Details of the shareholders holding more than 5% of of the Company

Name of the shareholders	As at 31st March 2021	
	Number	%
Gloster Limited (Holding Company)	2,000,000	100.00

e) The company has neither issued bonus shares nor has bought back any shares since date of incorporation.

f) No ordinary shares have been reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment as at the Balance Sheet date.

g) No securities convertible into Equity/ Preference shares have been issued by the Company since date of incorporation.

h) No calls are unpaid by any Director or Officer of the Company since date of incorporation.

Note: 10 Other Equity

Particulars	As at 31st March 2021
(i) Retained earnings	
As at 27 January 2020	-
Profit (Loss) for the period	(107.56)
Deduct : Appropriations	
Dividend paid during the year	-
Tax on dividend paid during the year	-
Transferred to general reserve	-
Balance as at 31 March 2021	**(107.56)**

Nature and purpose of reserves

(i) Retained Earnings

This reserve represents the cumulative profits/ (losses) of the Company after appropriation. This reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

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Gloster Nuvo Limited

Notes to the financial statements for the period 27th January 2020 to 31st March 2021

(All amounts in Rs. lakhs)

Note: 11 Lease Liabilities

Particulars	As at 31st March 2021	
	Non-Current	Current
Lease Liability (Refer Note: 22)	1,509.26	-
Total	**1,509.26**	-

Note: 12 Trade payables

Particulars	As at 31st March 2021
Total outstanding dues of micro enterprises and small enterprises (Refer Note 20)	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	24.44
Total	**24.44**

Note: 13 Other financial liabilities - Current

Particulars	As at 31st March 2021
Payable to Holding company	317.82
Total	**317.82**

Note:14 Other current liabilities

Particulars	As at 31st March 2021
Statutory dues	0.83
Total	**0.83**

Note: 15 Other income

Particulars	For the period 27th January 2020 to 31st March 2021
Interest income on deposits from bank	6.49
Interest income on security deposits	0.05
Total	**6.54**

Note: 16 Finance costs

Particulars	For the period 27th January 2020 to 31st March 2021
Interest and finance charges on financial liabilities at amortised cost - On lease liabilities	23.35
Total	**23.35**

Note: 17 Depreciation and amortization expense

Particulars	For the period 27th January 2020 to 31st March 2021
Depreciation of Property, Plant and Equipment	0.07
Depreciation Of Right of Use Assets	10.68
Total	**10.75**

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(All amounts in Rs. lakhs)

Note: 18 Other expenses

Particulars	For the period 27th January 2020 to 31st March 2021
Rates & Taxes	0.28
Repairs & Maintenance	29.87
Filing fee	2.84
Auditor's Remunaration	
-For Statutory Audit	1.50
Security Charges	32.88
Printing & Stationery	0.14
Bank Charge	0.00
Repair to Building	0.30
Professional charge	10.92
Computer Maintenance	0.18
Miscellaneous expenses	1.09
Total	**80.00**

Note: 19 Income tax expense

This note provides an analysis of the Company's income tax expense, shows amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Company's tax positions.

(a) Income tax expense

Particulars	For the period 27th January 2020 to 31st March 2021
Current tax	
Current tax on profits for the year	-
Total current tax expense	-
Deferred tax	
Decrease / (Increase) in deferred tax assets	-
(Decrease) / Increase in deferred tax liabilities	-
Total deferred tax expense/(benefit)	-
Income tax expense	-

(c) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

Particulars	For the period 27th January 2020 to 31st March 2021
Profit before tax	**-107.56**
Tax u/s 115BAB at tax rate of 17.16%	-18.46
Add / (deduct) -	
Tax effect of amounts which are not deductible (taxable) in calculating taxable income	6.24
Tax effect on gains on which tax has been recognised in OCI	-
Deferred Tax not recognised on business loss / unabsorbed depreciation	12.22
Others	-
Total income tax expense/(credit)	-

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Gloster Nuvo Limited

Notes to the financial statements for the period 27th January 2020 to 31st March 2021

(All amounts in Rs. lakhs)

Note 20: Earning per share

Particulars	For the period 27th January 2020 to 31st March 2021
(a) Profit / (Loss) attributable to equity holders of the company used in calculating basic and diluted earnings per share (Rs. in lakhs)	(107.56)
(b) Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share (in	2,000,000
(c) **Basic and diluted earnings per share (Rs.)**	(5.38)

Note 21: Details of dues to micro enterprises and small enterprises as defined under the MSMED Act, 2006 included in Trade payables

Disclosure as required under the Micro, Small and Medium Enterprises Development Act, 2006, to the extent ascertained and as per notification number GSR 679 (E) dated 4th September, 2015

Particulars	As at 31st March 2021
i) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year. - Towards principal amount - Towards interest on above	- -
ii) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting	-
iii) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-

This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

Note no. 22: Leases

I. The Company has entered into operating lease agreement for a term of thirty years commencing from January 16, 2021 for factory land situated at Bauria, West Bengal with it's fellow subsidiary. The lease payments are on fixed rental basis along with an escalation clause with an option to renew at the end of lease period. As per the lease agreement, the incidence of lease rent payment would begin on the company on being able to put the Demised Property to beneficial commercial use and no rent shall be payable for the period till the Demised Property becomes usable following commencement of such commercial operations not later than 24 (Twenty Four) months from the date of the lease.

The changes in the carrying value of right of use assets for the period ended 31st March, 2021 are disclosed in Note 4.

II. Expenses recognised in the Statement of Profit and Loss:

Particulars	For the period 27th January 2020 to 31st March 2021
Rent	
Expense relating to short-term or low value leases	-
Finance cost	
Interest expense on lease liabilities	23.35
Depreciation and impairment losses	
Depreciation of right-of-use assets	10.68

Total cash outflow for leases for the year ended March 31, 2021 is ₹ Nil

III. Contractual maturities of lease liabilities

As per the requirement of Ind AS-107, maturity analysis of lease liabilities have been shown under maturity analysis for financial liabilities under Liquidity risk (Refer Note 24.II(i)). The below table provides details regarding the contractual maturities of lease liabilities on undiscounted basis:

Particulars	As at 31st March 2021
Within one year	-
After one year but not more than five years	360.00
More than five years	4,652.24
	5,012.24

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligation related to lease liabilities as and when they fall due.

IV. The weighted average incremental borrowing rate has been applied to lease liabilities recognised in the balance sheet.

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(All amounts in Rs. lakhs)

Note 23: Related party transactions

(a) Holding Company (Parent)

The company is controlled by the following entity:

Name	Type	Place of incorporation	Ownership interest As at 31 March 2021
Gloster Limited	Holding Company	India	100%

(b) Fellow subsidiary

- Gloster Lifestyle Limited (100% subsidiary of Gloster Limited)
- Gloster Specialities Limited (100% subsidiary of Gloster Limited)
- Network Industries Limited (100% subsidiary of Gloster Limited)
- Fort Gloster Industries Limited (100% subsidiary of Gloster Limited)

(c) Transaction with related parties

Particulars	Period	Gloster Limited	Network Industries Limited
A. Transactions during the year			
Advance received	27-Jan-20 to 31-Mar-2021	317.82	-
Security deposit given*	27-Jan-20 to 31-Mar-2021	-	60.00
Lease Rental	27-Jan-20 to 31-Mar-2021	-	-
Outstanding balances at year end			
Other financial liabilities	As at 31-Mar-2021	317.82	-
Security deposit given*	As at 31-Mar-2021	-	60.00
Lease Rental	As at 31-Mar-2021		

* The security deposit balance represents the amount actually paid by the company without impact of fair valuation.

(d) Terms and conditions of the transactions

As confirmed by the management, all transactions during the period have been carried at Arm's length price. All outstanding balances are unsecured and are repayable in cash.

Note 24 : Capital management

(a) Risk management

The company's objectives when managing capital are to

i. safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders, and

ii. benefits for other stakeholders and maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of equity, long term borrowings and short term borrowings.

The amount mentioned under total equity in balance sheet is considered as Capital.

(b) Dividends paid and proposed

In view of losses, the company has not paid or proposed any dividends during the period ended 31 March 2021.

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(All amounts in Rs. lakhs)

Note 25: Disclosure on Financial Instrument

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2.6& 2.7to the financial statements.

Financial Asset and Liabilities (Non-current and current)

Particulars	As at 31st March 2021		
	Fair value through statement of profit and loss	Fair value through other comprehensive income	Amortised cost
Financial assets			
Cash & Cash Equivalent	-	-	26.28
Other financial assets			
Security Deposits to fellow subsidiary	-	-	6.07
Total financial assets	-	-	**32.35**
Financial liabilities			
Lease liabilities	-	-	1,509.26
Trade payables	-	-	24.44
Other financial liabilities			
Payable to parent company	-	-	317.82
Total financial liabilities	-	-	**1,851.52**

The management has assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, short term borrowings, and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The management has assessed that the fair value of floating rate instruments approximate their carrying value.

Fair value Hierarchy

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2. The fair value of all bonds which are not actively traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date. Derivatives are valued using valuation techniques with market observable inputs such as foreign exchange spot rates and forward rates at the end of the reporting period.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty. The fair value of short-term financial assets and liabilities is considered to be approximately equal to its carrying value due to their short term nature. Costs of unquoted equity instruments has been considered as an appropriate estimate of fair value where most recent information to measure fair value is insufficient or if there is a wide range of possible fair value measurements.

The company has measured all its Financial Assets and Financial liabilites at amortised cost. Hence, no separate discloure has been given on fair value hierarchy.

Financial Risk Management

The Company has a risk management policy which covers risk associated with the financial assets and liabilities. The risk management policy is approved by the Directors. The different types of risk impacting the fair value of financial instruments are as below:

I. Credit Risk

The credit risk is the risk of financial loss arising from counter party failing to discharge an obligation. The credit risk is controlled by analysing credit limits and credit worthiness of customers on continuous basis to whom the credit has been granted, after obtaining necessary approvals for credit .

The company is in nascent stage and has not yet commenced commercial operations. Accordingly, the company does not have any significant Credit risk as on the reporting date.

II. Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its financial obligations as they become due.

The company is in nascent stage and has not yet commenced commercial operations. In view of the above, the company shall be provided continous financial support from its Holding company and accordingly does not envisage any significant Credit risk as on the reporting date.

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i) Maturity analysis for financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date -

Particulars	On demand	0 to 6 Months	More than 6 months to 1 year	More than 1 year	Total
As at 31st March, 2021					
Non-derivative					
Lease liabilities (Refer Note - 24)	-	-	-	1,509.26	1,509.26
Trade payables (Refer Note - 12)	-	24.44	-	-	24.44
Other financial liabilities (Refer Note - 13)	317.82	-	-	-	317.82
	317.82	**24.44**	**-**	**1,509.26**	**1,851.52**

III. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of following risk: interest rate risk, foreign currency risk, other price risk. Financial instruments affected by market risk include investments, trade receivable, borrowings and trade payable.

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates.

The Company does not have any interest bearing borrowings or investments. Accordingly there is no interest rate risk as at the reporting date.

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's has no exposure to foreign currency risk at the end of the reporting period.

iii) Other price risk

The company is in nascent stage and has not yet commenced commercial operations. In view of the above, the company does not forsee any other price risks.

Note 26:

The company has been incorporated on 27th January, 2020 and these financial statements from 27th January, 2020 till 31st March, 2021 are the first financial statements prepared by the company. Accordingly, no previous periods figures have been disclosed.

The accompanying notes are an integral part of these Financial Statements

As per our report of even date

For and on behalf of Board of Directors

Director

Director

Director

Director

CFO

For Singhi & Co.
Firm Registration No. 302049E
Chartered Accountants

SINGHI & CO. Chartered Accountants

Ankit Dhelia
Partner
Membership No. 069178
Place : Kolkata
Date : 10-06.2021